

Statement by the Minister of State for Youth Services and information :

Re : Kerala agreement and the adverse effect of the power Demand cut.

ಶ್ರೀ ಪಿ. ರಾಮದೇವ್ :—ವಿದ್ಯುಚ್ಛಕ್ತಿ ಪೂರೈಕೆ ಬಗ್ಗೆ ಮಾನ್ಯ ಮಂತ್ರಿಗಳವರು ಒಂದು ಸ್ಪೆಷಲ್ ಮೆಂಟ್ ಮಾಡುತ್ತೇವೆಂದು ಹೇಳಿದ್ದರು. ಸ್ವಾಮಿ...

ಅಧ್ಯಕ್ಷರು :—ಈಗ ಮಾನ್ಯ ವಿದ್ಯುಚ್ಛಕ್ತಿ ಪಾಲಕರು ಮಂತ್ರಿಯವರು ಸ್ಪೆಷಲ್ ಮೆಂಟ್ ಮಾಡುತ್ತಾರೆ.

Sri K. H. SRINIVAS (Minister of State for Youth Services and information) I wish to make the following statement on the Kerala Agreement and the adverse effect of the power Demand cut :—

This August House will kindly remember the acute shortage of power experienced by this State in the recent years on account of which the power cut had gone upto 55 percent and when the new Government was formed last year after the elections, the State faced with a situation wherein we would have compelled to go in for a 60 percent cut. This power shortage which had been experienced has two components. The one portion of the gap was on account of the failure of successive monsoons to fill up the Linganamakki Reservoir, the other portion of the gap was the real gap between the installed production capacity and demand. In the beginning of the last year, on account of an assistance of the order of one million units per day from Kerala, in spite of the subsisting bilateral agreement committing the entire surplus of Idduki in favour of Tamil Nadu, came to our rescue and helped us to reduce the power cut instead of enhancing it further. Since then, the situation steadily improved and afterwards we were lucky to have an exceptionally good monsoon filling up the Linganamakki Reservoir in a record time. On account of the good monsoon and also taking credit of the probable availability of import of power from Kerala, the Government announced in December 1978 its new power policy for the five year period 1978-83. This new policy envisages a period of freedom from power restrictions for all low tension consumers and high Tension consumers of upto 250 KVA contract demand. It also provided for an unrestricted new sanctions for power upto 250 KVA and removed the pre-connection charges and deposits which had proved a disincentive for the industries. A cut of the order of 30. was fore-seen for installations of contract demand of more than 250 KVA existing as well as new. It had also authorised certain measures for limiting the peak demand to the system capacity, such as, staggering of weekly holidays and shift-starting hours of industrial establishments and the avoidance of the

morning peak hours for operating agricultural pumpsets. In coming to these decisions, Government had carefully considered the growth of future demand, the new capacities of power and energy to be commissioned and the likely imports from our neighbouring states. While announcing the new power policy, the Government was fully aware that in case the demand position were to build up very fast, it would become necessary to introduce a small percent to demand cut temporarily between March and June 1979 and this was a calculated risk worth running in the opinion of the Government.

(2) I would like to assure this House, that the 15% cut on maximum demand on industries above 500 KVA contract demand introduced from 1st April 1979 and the general-shedding programme accompanying it in no way suggests a departure from the Government's power supply policy. It is the result of an unfortunate coincidence of several factors in the Southern Region which have temporarily affected load conditions in all the Southern States including ours, as I shall presently explain. On the contrary, the prospects of power availability in the current 5-year period have improved distinctly since the Government announced its new power supply policy.

(3) I refer in particular, to the long-term 4 year agreement we have concluded in February 1979 with the Govt. of Kerala. This is a bilateral agreement between the Govt. of Kerala and Government of Karnataka entered into after the failure of the tripartite talks between the Government of Tamilnadu, Kerala and Karnataka. The previous agreement between Tamilnadu and Kerala has actually expired by Feb. 79. But during the dilateral talks which had taken place in between the tripartite meetings, the Kerala Government had assured Tamilnadu the supply of some quantum of power till June 1979.

The main features of the long-term four years agreement between Karnataka and Kerala are as below :

The representatives of the Karnataka and Kerala Govt. will periodically meet and assess the surplus of power available in Kerala and Karnataka will indicate the maximum power that it would like to draw and that quantum will be considered the reserved quantum and the balance quantum if any, would be dealt with by Kerala in its own way. This means, that the reserve quantum will be the first charge on Kerala surplus till March 1983. It is also further agreed that Karnataka will take a minimum of one thousand million units per annum from Kerala. The purchase will be at an average rate of 23 paise per unit.

This agreement will mean an addition of over 3.5 million units of energy per day and over 150 Megawatts of continuous power which compares very favourably with our own internal generation (in March 1979) of 17 million units per day and about 750 Megawatts of continuous power with a peak of about 1000 M.W. With this order of imports from Kerala which will total over 1000 million units per year, and our own additional generation of nearly 3000 million units per year from our now projects of Kalinadi, Linganmakki dam power house and Chakra, the daily supply will raise from the rate on about 20.5 million units per day in March 1979 to over 27 million units per day in March 1982.

(4) Let me briefly explain the nature of our present difficulties. Since the relaxation of power restrictions commencing on 1st June 1978 and the total removal in October 1978 of all restrictions on L. T. consumers and H. T. consumers of upto 550 KVA contract demand (on whom an energy has cut of 40% was retained) the consumption of energy grown sharply from about 470 million units in June 1978 to about 630 million units in March-1979 in increase of almost 35%. This has been made possible by increased generation in our own power stations on account of a very good monsoon and imports from Kerala and Maharashtra of the order of 2.0 MU and 1.5 MU per day respectively,

5) However, since the middle of December 1978, the power load has also been rising, principally due to the peak operations of agricultural pumpsets but also as a result of several industries gearing up to high capacity operations. When all these loads work simultaneously, as during the shift-start hours in the morning or the lighting hours in the evening, the total load on the system exceeds the load that can be borne by the power-stations. And just as the water pressure in our taps falls when all taps are opened at the same time, though there may be ample water in the over-head tank, the power-pressure or voltage falls when too much load is taken on. But unlike water, electricity cannot be supplied at low voltage, as it will damage most machinery and equipment, the only way to rectify the situation is to cut off loads to bring down the total load to the level of the system's capacity.

6) A regular load-shedding programme to the extent of 100 MW was therefore introduced in December 1978 and was in force throughout the State to improve voltage conditions in the Northern part of the State and also to deal with the short of all in demand. During the month of February 1979, some extra assistance was available from Maharashtra and Kerala and a further cut on demand was not considered necessary. However, during March 1979, loads started build-

ing up due to agricultural loads increasing and other industrial loads picking up. However, assistance from the neighbouring State of Kerala and Maharashtra was reduced due to troubles in their own systems. Even Tamil Nadu and Andhra Pradesh developed difficulties in their systems resulting in the overall lowering of the frequency level in the southern Grid.

7) The peak assistance from Kerala is as low as 40 MW against an expected 150 MW. Kerala had explained to us during the February negotiations that it had given a prior assurance to Tamil Nadu that certain minimum power would be supplied to them till June 1979. Kerala had, nevertheless, hoped to step up their supplies to us, but they, apparently, have found it not possible. In Maharashtra there have been repeated failures of their units resulting in a loss of generation of 600 to 700 MW and due to the Southern Grid working at a lower level of frequency it could not be kept tied with the Maharashtra system resulting in a loss of assistance during most of the day. Also, we have based our availability forecast on 9 out of 10 units being available at the Sharavathi Generating Station always, but Unit No. 1 failed on 12-3-1979 resulting in only 8 machines being available causing a further loss of 90 MW to the system.

8) A total load-shedding of 300 mega watts, therefore, became necessary in the system and even this load-shedding could not be done systematically after 12-3-1979 for a few days. From 1-4-1979 a demand cut of 15% on industrial installations, of 500 KVA and above contract demand became inevitable, in addition to a staggering of weekly holidays. Besides, a load shedding of 6 hours in a day once in a week to cover each area of the State at different times was also introduced from 1-4-1979. This type of load-shedding once a week was considered preferable to the unplanned and repeated daily shut-downs which had to be resorted to in the last three months which had caused considerable distress, particularly, in the rural areas.

9) However, The Government has felt that the long six-hour cut was also likely to lead to difficulties, particularly, when there was shortage of Kerosene, water etc., in several places in the State. Accordingly, it has now been decided that the six-hour cut will not be implemented but in its place a rotating shut-down of a duration not exceeding one hour once a day will be operated in all areas in the State except Bangalore where the situation will be watched for a few more days.

10) It has also been brought to Government's notice that the demand cut of 15% on industry cannot be implemented by all type of industries, particularly those having a continuous process. By mutual discussion with industry, certain amendments to the order

have, therefore, been issued, exempting such industries from the operation of the order, if they are prepared to shut-down for a minimum period during the week or to adjust their demand during peak and non-peak hours as retained by the Karnataka Electricity Board. Essential services, such as, water supply, milk supply, hospitals have been completely exempted.

11) The Government has been trying to closely watch the situation and monitor the necessary steps to be taken, so that the least inconvenience is caused to all categories of consumers. I am glad to add that the necessary co-operation from the management and the labour in industries has been very much forth-coming. The Government of Kerala has assured to step up power supply to the maximum possible extent inspite of their own difficulties. The latest reports indicate that these revised measures have succeeded in containing the total load within the total capacities available. Government hopes that our people will put up with the inconvenience which will not last for more than a few weeks. Traditionally, agricultural pumpset loads have tapered off after march. The Sharavathi Unit No IX will also be back in operation in a few days. We hope that similar improvements will also take place in our neighbouring States which will benefit our State.

12) I hope Hon' ble members will appreciate that we are passing through an unexpected but temporary phase of demand shortage, though we are still able to supply energy in the same measure as before. There is no justification for feeling anxious about our long-term or even short-term prospects of power availability. We have firmed up our position with the Kerala Agreement, the full benefits of which will accrue to the State from June onwards and there is no need to about its benefits merely because these passing difficulties have come close on its heels. While the Govt. regrets the inconvenience caused it would like to assure that all possible efforts are being made to minimise the inconvenience and over-come the difficulties soon, and solicits the co-operation of all the consumers in general, the labour and management in particular, in tiding over the situation

SRI M. C. BASAPPA.— I would like to draw the attention of the Minister to para 9 of his statement wherein he says that "accordingly" it has now been decided that six-hour cut will not be implemented but its place a rotating shut-down of a duration not exceeding one hour once a day will be operated in all areas in the State except Bangalore" and in para 10, he says that "essential services, such as, water supply, milk supply, hospital have been completely exempted". Sir, we are more concerned with water supply in rural areas. Supposing one hour cut is imposed, to that extent, the entire water

supply will come to a stop and many towns are suffering for want of water due to pumping and other difficulties. I want to know how he exempts and at the same time implement this one-hour cut per day ?

SRI P. RAMDEV.— The power that is purchased from Kerala, the average cost is 23 paise per unit, that is the agreement perhaps entered into ; is it not on the highside ? What is the cost of power purchased from Maharashtra ?

ಶ್ರೀ ಎಂ. ಚಂದ್ರಶೇಖರ್.— ಶರಾವತಿಯಲ್ಲಿ ಎರಡು ಮೆಷಿನ್‌ರಿಗಳು ಫಯಿಲ್ಯೂರ್ ಆಗಿವೆಯಲ್ಲ ಅದಕ್ಕೆ ಕಾರಣಗಳೇನು ? ಅದೂ ಕೂಡ ಲೋಡ್ ಪೆಡ್ಲಿಂಗ್ ಎಂದು ಗೊತ್ತಿದೆ. ಅದು ಈಗ ಯಾವ ಹಂತದಲ್ಲಿದೆ, ಯಾವ ರೂಪದಲ್ಲಿದೆ ಮತ್ತು ಯಾವಾಗ ಕಮೀಷನ್ ಆಗುತ್ತದೆ ?

SRI K. H. SRINIVAS.— So far as rotating load shedding is concerned, we are trying to avoid that also. But in rural areas, after all the demand will be minimum, the one-hour cut may not jeopardise the water supply situation. But as far as possible we will try to see that water supply is not disrupted. We have just now introduced the cut, let me see in a day or two what is going to happen. As I have said, we have been very closely watching ; I am getting report everyday as to what is happening where and if we feel any further remedial measures to be taken, certainly we will not hesitate to take those steps.

So far as pricing is concerned, Maharashtra power is a different proposition because Maharashtra is giving power as against the utilisation of our own portion of water in Koyne and therefore that pricing is different from the pricing that obtains so far as Kerala agreement is concerned; though it is a bit on higherside, compared to a situation wherein we were compelled or we were thinking of going in for Gas turbines or even oil-fired power which would have cost us 50 paise per unit, I should consider it really advantageous and in the interests of the State.

Regarding Sharavati units, 2 units have failed—one is No. 10 which will take another 2-4 months for putting back for operation because it is a major machinery. So far as Unit-1 is concerned, I think it will be back on operation in another 15-20 days maximum. So far as reasons for the failures are concerned, so far as electrical equipment is concerned, it is very difficult to forecast. I can only assure you that it is not on account of any sabotage or any mishandling but we are just unfortunate that the machines have failed.

SRI M.C. BASAPPA—The Minister has explained that we are drawing 3.5 million units per day from Kerala. Are we really drawing that quantum of power ? You have also mentioned in the bilateral agreement, the officers of both the State will sit together and review the position to draw more power whenever it is needed. Whether any such commitments are made from our State ?

SRI K.H. SRINIVAS—As I have explained in my statement, this bilateral agreement with Kerala, the full benefits of that agreement will accrue to us after June. Our officers may meet around October/November to assess what exactly the surplus power that will be available for Kerala during the next year. So far as period upto June is concerned, though originally we had just persuaded Kerala to maximise their supply towards us inspite of agreement between Tamil Nadu and Kerala which they had to supply unto 2 million units. At this stage they had agreed to step up to 3 million units upto June. After June any power that we may demand, they are prepared to supply to us. Upto June there is another fetter because the members are aware that we had some 3-4 rounds of tripartite talks and I had appealed to both Tamil Nadu and Kerala that Tamil Nadu should not try to snatch bilateral agreement to the disadvantage of Karnataka as it did earlier.

And the State Government could come to the mature agreement regarding the sharing of power. Unfortunately, in this tripartite meeting Tamilnadu did not agree either for sharing of power or for other terms. They insisted that 80 percent should given to Tamil Nadu only which was not acceptable to us. I went to the extent of offering 60 percent and taking 40 percent. For that also, they did not agree. In the meanwhile, Tamil Nadu tried to entered into a bilateral agreement offering higher prices. At that point of time, some assurance was given that Tamilnadu will get minimum quantity of power till June, whatever Kerala wanted to give by that agreement. Therefore, I repeat that the fullest benefit of the agreement has not yet been accrued to the State. We thought that upto June it is sufficient. By that time, I don't think we would be in such a situation. Unfortunately, because certain generators failed in Kerala, they were not able to supply us the power. They assured that they would step up to the maximum possible extent.

3-00 P.M.

SRI B.B. SAYANAK—Sir, there is power cut; and there is shortage of diesel also. Because of this, the agriculturists are hard it. Will the Government take action to provide the diesel and power to the people of our State—especially to the agriculturists?

SRI K.H. SRINIVAS—Government is fully aware of the difficulties not only of the agriculturists, but also others. Even people living in towns are facing such problems. Certainly, Government has been taking various steps in this direction. We shall try our level best to ease the situation.